

What competition with the government looks like

First they take \$5 million from electric ratepayers to begin competing against you

Note 19 – Telecommunications Capital Project Fund

The Telecommunications Capital Project Fund is an Electric Operating Enterprise Fund capital projects fund. It is consolidated with the Electric Operating Enterprise Fund for economic resources measurement focus and full accrual basis financial reporting. The fund had \$5,000,000 transferred to it in the 1999-2000 fiscal year from the Electric Operating Enterprise Fund. The capital project fund has not had any budgeted revenues or expenditures since its inception, until this fiscal year. This is the first year the Supplemental Schedule of Revenues and Expenditures – Budget to Actual (2006 – OAAAP) has appeared in the financial statements for this project.

Source: City of Wilson Annual Financial Report, FY05-06, documenting \$5 million transfer from the City's Electric Fund to the fiber optic cable project.

Note: To date, Wilson has transferred nearly \$12 million from its electric and gas funds to subsidize its competitive activities.

Then they secure loans by promising to raise taxes if needed

although using some different methodologies. Should the fiber optic project not perform as expected, the debt service could be repaid through other sources. For example, and electric rate increase of approximately 1.4% would be needed; a tax rate increase of 5.6 cents would be needed; or, some combination of the two could be put in place. These rate increases are not considered by the city to be unreasonable if they become necessary.

Source: City of Wilson application to Local Government Commission dated 2/5/07 seeking authorization for initial \$18 million loan to compete.

Then they delay granting you permits to serve customers

- Ø In July 2007, Wilson (temporarily) refused to process routine permit applications from Time Warner, citing Time Warner's legislative activity.

Then they violate their own ordinances



- Ø Wilson ordinance prohibits use of commercial vehicles in residential neighborhoods for advertising purposes.
 - Ord. Sec. 22-118 (parking vehicle for primary purpose of advertising prohibited)
 - and Sec. 29-2 (sale of merchandise on streets, sidewalks and parking lots)
- Ø Wilson routinely violates these ordinances with its Greenlight trailer.

Then they raise the cost of your business

- Ø Wilson has raised its rates for accessing its utility poles by 300%.
- Ø Wilson has imposed a new \$0.48/linear foot fee for use of its rights-of-way.

Then they force you to advertise for them

Ø The City of Wilson put advertising of its competitive cable service on its PEG channel – effectively forcing TWC to advertise for its competitor.

Per G.S. 66-357, cable operators are required to carry city-generated programming (“PEG channels”).

Then they bully city employees to buy service from them

From: Gregg Owens

Sent: Tuesday, April 28, 2020 2:08 PM

To: Mike, collection, customer service, Greg

CC: Gabe, Owens, Mike, Owens, Justin, Baker

Subject: City Employees Enrolling in Greenlight Services


Attachments: Greenlight.png; image001.jpg

Importance: High

As you know, the City of Wilson has invested over 28 million in the providing infrastructure to provide fiber optic, Internet, Phone and Cable services under the business of Greenlight. Greenlight services are pretty much available to all residents in Wilson and in some parts of Wilson County. Many of our employees have already enrolled in our services and for this, we say “thank you” for supporting your hometown service provider. Now, those who are employed by our suppliers who have not enrolled, I highly suggest that it would be in your best interest to support the City’s employer and enroll in Greenlight’s Internet, Phone and Cable services.

For enrollment and/or obtain additional information, please call 256-3374.

Sincerely,
Gregg Owens
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 **greenlight**
WILSON ENERGY/INTERNET/PHONE

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Then they ignore the laws you must follow

Ø Wilson has signed an exclusive agreement to provide service to new residential development outside the city limits.

Ø Wilson sought to exclude private companies from providing service in this development.

Private providers are prohibited by law from entering into exclusive access arrangements or excluding competitors for serving customers.

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Then – watch as you have to pay
taxes / fees that they don't

Ø Cities don't pay

- state corporate income taxes
- state corporate franchise taxes
- state sales tax on the equipment
- state motor fuels tax
- vehicle taxes
- local property taxes
- local rights-of-way fees
- fees for use of city-owned utility poles
- regulatory fee (NC Utilities Commission)
- state e911 fund
- Telecommunications Relay Service Fund (telephone services for hearing impaired)

Help ensure preservation of
private sector jobs and the
North Carolina tax base:

Support
Level Playing Field / Cities /
Providers
